

NEWS RELEASE



***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

***United States Attorney
Carol C. Lam***

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For Immediate Release

NEWS RELEASE SUMMARY - September 5, 2006

United States Attorney Carol C. Lam announced that German Castillo, a self-employed tax preparer doing business as “Hispanic Professional Services,” pled guilty today in federal court in San Diego to a felony count of tax evasion, and a felony count of aiding or advising a false income tax return. Castillo entered his guilty plea before United States Magistrate Judge Jan M. Adler, subject of final acceptance of the plea by United States District Court Judge John A. Houston, at the time of sentencing.

According to Assistant U.S. Attorney William P. Cole, who prosecuted the case, Castillo admitted in his guilty plea that for the 1999 and 2000 tax years he intentionally failed to report to the Internal Revenue Service approximately \$142,779 in income received by him from his tax preparation business, and that he thereby attempted to evade approximately \$51,245 in taxes due and owing to the United States. Castillo also admitted that, in preparing tax returns for seven other individuals, he knowing and willfully falsified and exaggerated the deductions claimed on the returns in an attempt to defeat a total of approximately \$18,152 in additional taxes due and owing to the United States.

United States Attorney Lam said, "Not content to cheat on his own taxes, Castillo earned a living helping others cheat as well. His self-proclaimed 'professional services' turned out to be something far less impressive."

Castillo is scheduled to appear for acceptance of plea and sentencing before United States District Judge John A. Houston on November 17, 2006, at 9:00 a.m.

DEFENDANT

Criminal Case No. 06-CR-1874-JAH

German Castillo

SUMMARY OF CHARGES

Title 26, United States Code, Section 7201 - Tax Evasion

Maximum penalties: 5 years in prison; a \$100,000 fine; and 3 years of supervised release.

Title 26, United States Code, Section 7206(2) - Aiding or Advising False Income Tax Return

Maximum penalties: 3 years in prison; \$100,000 fine; and 1 year of supervised release.

PARTICIPATING AGENCY

Internal Revenue Service, Criminal Investigation